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## **Agricultural Marketing Service**

#### **Poultry Programs**

Market News Branch

# U.S. Farm Exports to Central and Eastern Europe Remained Unchanged in 1998

U.S. farm exports to Central and Eastern Europe reflected significant gains in poultry meat in 1998. Although U.S. exports to Estonia showed the greatest value gain, most of the large poultry meat shipments to that country and Latvia eventually reached Russia and other destinations in the former Soviet Union.

The best opportunities in the region for U.S. exporters include bulk commodities for conversion into value-added products.

In the short term, the conflict in Kosovo will lead to increased U.S. food aid to Central and Eastern Europe. Longer term, U.S. exports will continue to depend on the region's weather, economic reforms, border protection, and food shipments to Russia.

U.S. Agricultural Exports to Central and Eastern Europe					
Calendar Years	(Ja	n-Dec)	(Jar	n-May)	
Product	1997	1998	1998	1999	
Poultry Meat	178,256	201,747	82,280	88,199	
Eggs & Products	2,362	1,379	963	333	

Source: USDA/Foreign Agricultural Service.

# JAPANESE FROZEN EGG IMPORTS (IN TONS)

	Frozen			
	Whole	Frozen	Frozen	
Month	Eggs	Yolks	Albumen	Total
1998				
January	210.7	1,624.6	272.2	2,107.5
February	128.6	1,280.3	386.9	1,795.8
March	94.2	1,183.7	278.0	1,555.9
April	101.2	846.8	413.7	1,361.7
1998 To-Date	534.7	4,935.4	1,350.8	6,820.9
1999				
January	170.6	1585.1	423.5	2668.2
February	164.0	647.4	161.2	972.6
March	151.4	644.1	357.3	1152.8
April	198.1	715.6	181.4	1095.1
1999 To-Date	684.1	3592.2	1612.4	5,888.7

Source: ALIC Monthly Statistics

# The Agricultural Outlook - U.S. Red Meat & Poultry Exports Plateau

Red meat and poultry exports grew at double-digit rates since 1986, yet only advanced 1 percent in 1998, reaching 8.95 billion pounds. The level of exports may increase another 1-2 percent in 1999, due in part to food aid to Russia, but will likely decline about 2 percent in 2000. This would be the first drop since 1985. Three factors are contributing to the slowdown: the collapse of the Russian economy (affecting poultry and pork), the downturn and slow recovery of Asian economies, and currency devaluations for both importers and competitors.

U.S. broiler exports are expected to total 4.6 billion pounds in 2000, down about 1 percent from the 1999 forecast level. Exports to the Baltic States are expected to decline from this year's exceptional growth. After growing rapidly since the late 1980's, broiler exports have hovered between 4.5 and 4.7 billion pounds since 1997 and the collapse of the Russian market.

U.S. turkey exports are forecast at 400 million pounds in 2000, about even with the 1999 forecast. Gains in sales to Mexico and some Asian countries, chiefly South Korea, are expected to offset reduced shipments to Russia and other Eastern European countries. Because Mexico is the leading buyer of U.S. turkey (56 percent of exports in 1998), its economy will largely determine the level of U.S. turkey exports. Mexico's Gross Domestic Product is forecast to grow a relatively healthy 2-3 percent in both 1999 and 2000. U.S. exports to Korea, which was a major market for U.S. turkey before economic adversity struck in 1998, could rebound sharply if the Korean economy continues to improve in 1999 and into 2000. Export prospects to South Korea are better for turkey. Domestic turkey production is limited, and turkey imports are rebounding from the sharp declines in 1996 and 1997.

For further information, contact: Milton Madison, domestic poultry and eggs; David Harvey, poultry and egg trade at (202) 694-5180.

Source: USDA/Economic Research Service

### **Brazil to Export Poultry to Canada**

Brazil and Canada have signed a trade agreement under which Brazil will export chicken meat to Canada for the next three years. Brazil is expecting to export \$100 million worth of chicken, including breasts and processed products, each year to Canada for the next three years. The first shipment is expected to leave Brazil in August, according to a report in the Gazeta Mercantil.

Brazil is Canada's largest export market south of the United States, with 1998 exports totalling \$1.37 billion and imports from Brazil totaling \$1.38 billion. Brazil is one of five priority markets for the Export Development Corporation.

Source: WATTNET Home Page and Canada Department of Foreign Affairs and International Trade

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#### **INSPECTED EGG PRODUCTS**

	Week Ending Ju	Ye	ear-To-Date	
Type	1999	1998 /1	1999	1998
Liquid	58	108	7,961	7,464
Frozen	0	0	6	50
Dried	0	0	333	332
Total	58	108	8,300	7,846

### U.S. Imports From Canada, in Pounds (000) (Preliminary)

	Week Ending Ju	Υe	ar-To-Date	
Type	1999	1998 /1	1999	1998
Liquid	27	36	2,318	2,322
Frozen	17	1	158	130
Dried	0	0	141	225
Total	44	37	2,617	2,677

### **Inspected Shell Eggs**

#### U.S Exports To Canada, In 30-Dozen Cases (Preliminary)

Week Ending July 17, 1999			Ye	ar-To-Date
	1999	1998 /1	1999	1998
Jumbo	0	0	567	782
Extra Large	400	0	17,713	21,327
Large	2,454	1,327	66,800	56,711
Medium	1,020	450	27,927	32,020
Ungraded	14,140	2,210	300,631	127,795
Misc	120	1,520	3,588	5,443
Total	18,134	5,507	417,226	244,078
40 11 14 14 6 44 11 4				

/1 Comparable Week, to-date figures may not total due to rounding. Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

**CENTRAL REGION** PRICES NEGOTIATED FOR MECHANI-CALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. July 23,1999

#### CHICKEN PRICES

	F	ROZEN	FRESH	
FAT	FOB	DELIVERED	FOB DELIVER	ED
CONTENT	DOCK		DOCK	
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

#### **CHICKEN PRICES, WITH ADDED SKIN**

1	5%	$\cap R$	1.1	FSS.

RANGE - - 16.00-18.50 WTD AVERAGE 17.25

81,600 pounds, this includes 0 pounds for export shipment. 15-20%

RANGE - 15.00-19.00 11.00-13.00 13.00-15.00 WTD AVERAGE 15.67 11.69 13.81

2,549,200 pounds, this includes 163,200 pounds for export shipment.

20% OR MORE

RANGE - - - - WTD AVERAGE

WIDAVERAGE

0 pounds, this includes 0 pounds for export shipment.

\* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

<u>LIVE POULTRY SLTRD UNDER INSPECTION</u> W/E 17-JuL-99 PRELIMINARY

# U.S. FOWL SLAUGHTERED DOMESTICALLY (000'S)

0.0 0 0 0 0 0 0 0 0 0 0 0				
	LIGHT HEAVY		TOTAL	
	HENS	HENS	HENS	
HEAD	1,978	1,089	3,067	
LAST WEEK	1,797	1,385	3,182	
SAME WEEK YR AGO	2,164	1,223	3,387	
TO-DATE/1999	60,629	37,889	98,518	
TO-DATE/1998	59,220	35,418	94,638	

#### U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	506	0	506
LAST WEEK	374	14	388
SAME WEEK YR AGO	434	26	460
TO-DATE/1999	13,843	164	14,007
TO-DATE/1998	15,756	239	15,995

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

# TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	2,484	1,089	3,573
LAST WEEK	2,171	1,399	3,570
SAME WEEK YR AGO	2,598	1,249	3,847
TO-DATE/1999	74,472	38,053	112,525
TO-DATE/1998	74,976	35,657	110,633

## **EASTERN REGION** PRICES NEGOTIATED FOR

MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. July 23.1999

#### CHICKEN PRICES

	F	ROZEN		 FRESH		
FAT	FOB	DELIVERE	D FOB	DELIVERED		
CONTENT	DOCK		DOCK			
15% OR LE	SS					
RANGE	16.00-17.00 1	16.00-20.00		- 18.00		
WTD AVER	AGE 16.11	18.91		18.00		
895,000 po	unds, this inclu	ides 320,000	pounds for	export		
shipment.						

#### CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS

RANGE 13.00-14.00 16.50 - 13.50-17.00 WTD AVERAGE 13.50 16.50 16.13

480,000 pounds, this includes 0 pounds for export shipment. 15-20%

RANGE 14.00-17.00 12.50-14.00 13.00-13.50 11.50-15.00 WTD AVERAGE 16.87 13.61 13.10 13.86 2,291,040 pounds, this includes 400,000 pounds for export

shipment. 20% OR MORE

RANGE - - -

WTD AVERAGE

0 pounds, this includes 0 pounds for export shipment.

\* INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

### **NATIONAL YOUNG TURKEY PARTS AND BULK MEAT**

FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS JULY 23, 1999

Trade sentiment for tom breast meat and tenders mostly steady. Mechanically separated turkey trading fairly heavy at steady to weak price levels going to export. Trading for other parts and meats slow with limited activity going to export. 3 loads of fresh destrapped tenderloins traded at 175 cents.

FRIDAY, JULY 23, 1999						
EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	16.50		16.50	240	16.63	640
WINGS FULL-CUT - TOMS	10.50	F	20.17	60	10.00	0-10
WINGS, V-TYPE, TOM		W	21.00	104	21.00	104
TAILS		R	15.00	120	15.00	120
MECHANICALLY SEPARATED 4/	16.00	1	16.00	440	14.87	1,792
THIGH MEAT - FROZEN	10.00	R	44.66	1,300	44.88	2,704
THURSDAY, JULY 22, 1999						
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	17.00		17.00	120		
WINGS FULL-CUT - TOMS		F	20.17	60		
WINGS, V-TYPE, TOM		W	21.00	104		
TAILS	15.00		15.00	120		
MECHANICALLY SEPARATED 4/	12.50-15.00		14.50	1,352		
THIGH MEAT - FROZEN	43.00-47.00		44.66	1,300		
WEDNESDAY, JULY 21, 1999						
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
<u>EXI OKT TRABINO</u>	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	16.00-17.00	GODE II	16.57	280		
WINGS FULL-CUT - TOMS	10.00-17.00	F	20.17	60		
WINGS, V-TYPE, TOM	21.00	'	21.00	104		
TAILS	21.00	F	16.00	52		
MECHANICALLY SEPARATED 4/		'	10.00	32		
THIGH MEAT - FROZEN	43.00-49.00		44.92	1,300		
THIST WEXT TROZEN	40.00 40.00		77.02	1,500		
TUESDAY, JULY 20, 1999						
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	18.50	180		
WINGS FULL-CUT - TOMS		F	20.17	60		
WINGS, V-TYPE, TOM		T	21.00	104		
TAILS		F	16.00	52		
MECHANICALLY SEPARATED 4/						
THIGH MEAT - FROZEN	47.00		47.00	104		
MONDAY, JULY 19, 1999						
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
<del></del>	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	18.50	180		
WINGS FULL-CUT - TOMS		F	20.17	60		
WINGS, V-TYPE, TOM		T	21.00	104		
TAILS		F	16.00	52		
MECHANICALLY SEPARATED 4/		-		<del>-</del>		
THIGH MEAT - FROZEN		F	51.49	708		
		-				

<sup>1/</sup> CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY 2/ Product contains 15-20% fat with skin added.

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